

## OPEN MEETING

## MEMORANDUM

TO: THE COMMISSION

FROM: Utilities Division

DATE: March 1, 2022

RE: IN THE MATTER OF POSSIBLE RULEMAKING FOR THE ADOPTION OF ALL-SOURCE REQUESTS FOR PROPOSALS AND INTEGRATED RESOURCE PLANNING RULES (DOCKET NO. RE-00000A-22-0029)

## INTRODUCTION

Enclosed are the Commission Staff's memorandum and proposed order for the Matter of Possible Rulemaking for the Adoption of All-Source Requests for Proposals and Integrated Resource Planning Rules (Docket No. RE-00000A-22-0029). This is only a Staff recommendation to the Commission; it has not yet become an order of the Commission. The Commission can decide to accept, amend or reject Staff's proposed order.

You may file comments to the recommendation(s) of the proposed order by efilings at <https://efiling.azcc.gov/> or filing an original and the appropriate number of copies in accordance with the Filing Requirements available at <http://azcc.gov/hearing/docket-control-center-filing-requirements>, with the Commission's Docket Control on or before: **March 11, 2022.**

This matter may be scheduled for Commission deliberation at its Open Meetings scheduled **March 15, 2022, and March 16, 2022.**

If you have any questions about this matter, please contact Zachary Branum of our Staff at (602) 542-0755, or Elijah Abinah, Director, at (602) 542-6935.

## BACKGROUND

On January 26, 2022, the Arizona Corporation Commission ("ACC" or "Commission") directed the Utilities Division Staff ("Staff") to open a new electric rulemaking docket and prepare and file in the new electric rulemaking docket for the Commission's discussion, consideration, and possible vote at a future Open Meeting a Notice of Rulemaking Docket Opening and Notice of Proposed Rulemaking for filing with the Arizona Secretary of State proposing rules for the adoption of All-Source Requests for Proposals ("ASRFPs") and Integrated Resource Plans ("IRPs").



*Resource Planning and Procurement Rules*

The Commission adopted Resource Planning and Procurement Rules<sup>1</sup> in 1989 for utilities defined as Load Serving Entities (“LSEs”), which enable LSEs to meet the electric needs of their customers by choosing the best mix of resources, through a transparent process allowing input from stakeholders. In Commission Decision No. 71722 (June 3, 2010), the Commission amended the original Resource Planning and Procurement Rules to include consideration of a diverse portfolio of purchased power, utility-owned generation, renewables, demand-side management, and distributed generation.

The Commission’s Resource Planning and Procurement Rules outline a process for each LSE to file its resource plan. Each LSE’s proposed resource plan assesses how it will meet forecasted annual peak and energy demand through a balance of supply-side and demand-side resources over a specific time period.

*All-Source Requests for Proposals and Integrated Resource Plan Rules*

Staff has leveraged the record of Commissioner correspondence, written comments, workshops, and other information filed in Docket No. RU-00000A-18-0284, as it relates to resource planning and procurement, to develop proposed ASRFP and IRP Rules as directed by the Commission at its January 26, 2022, Special Open Meeting.

Staff proposes repealing the Commission’s existing Resource Planning and Procurement Rules and adopting new ASRFP and IRP Rules, in proposed Article 28 of Title 14, Chapter 2, of the Arizona Administrative Code (“A.A.C.”).

The proposed rules require: Commission review and approval of a utility’s load forecast and needs assessment before the utility creates its IRP, Commission or Staff approval of a utility’s All-Source Request for Information language before the procurement process begins, and the requirement that a utility use an ASRFP process for the procurement of resources.

Appendix A, B, and C, which are attached to Staff’s Proposed Order, include: A) Staff proposed draft ASRFP and IRP Rules, A.A.C. R14-2-2801 *et seq.*; B) Strikethrough of the Commission’s existing Resource Planning and Procurement Rules; and C) A list of information, that was filed in Docket No. RU-00000A-18-0284, that was used in drafting the proposed rules.

**STAFF ANALYSIS AND RECOMMENDATIONS**

Staff recommends that the Commission direct Staff to file, by April 1, 2022, with the office of the Secretary of State, for publication in the *Arizona Administrative Register* no later than April 22, 2022, (1) a Notice of Rulemaking Docket Opening and (2) a Notice of Proposed Rulemaking that includes the text of the rules as included in Appendix A.

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<sup>1</sup> See A.A.C. R14-2-701 *et seq.*

THE COMMISSION

March 1, 2022

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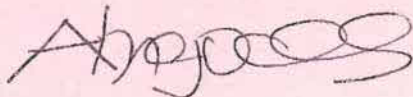
Based on consultation with the Hearing Division, Staff further recommends that the Commission direct the Hearing Division to hold oral proceedings to receive public comment on the Notice of Proposed Rulemaking on May 24 and 25, 2022, at 10:00 a.m. or as soon as practicable thereafter.

Staff further recommends that interested parties be requested to provide comments concerning the Notice of Proposed Rulemaking by filing written comments with the Commission's Docket Control by May 27, 2022, and be permitted to provide oral comments at the proceedings to be held on May 24 and 25, 2022.

Staff further recommends that the Commission direct Staff to file a draft Economic, Small Business, and Consumer Impact Statement ("EIS") by May 16, 2022.

Staff further recommends that the Commission direct Staff to file, by July 1, 2022, a revised EIS, if necessary, along with a summary of all written and oral comments concerning the Notice of Proposed Rulemaking received between April 22, 2022, and May 27, 2022, with Staff's responses.

Staff further recommends that the Commission establish additional procedural deadlines and requirements as may be necessary, consistent with the Administrative Procedures Act and prior Commission rulemaking procedures.



Elijah O. Abinah  
Director  
Utilities Division

EOA:ZTB:elr\KMU

ORIGINATOR: Zachary Branum



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**BEFORE THE ARIZONA CORPORATION COMMISSION**

LEA MÁRQUEZ PETERSON  
Chairwoman  
SANDRA D. KENNEDY  
Commissioner  
JUSTIN OLSON  
Commissioner  
ANNA TOVAR  
Commissioner  
JIM O'CONNOR  
Commissioner

IN THE MATTER OF POSSIBLE  
RULEMAKING FOR THE ADOPTION OF  
ALL-SOURCE REQUESTS FOR  
PROPOSALS AND INTEGRATED  
RESOURCE PLANNING RULES.

DOCKET NO. RE-00000A-22-0029  
DECISION NO. \_\_\_\_\_  
ORDER

Open Meeting  
March 15 and 16, 2022  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

**Background**

1. On January 26, 2022, the Arizona Corporation Commission (“ACC” or “Commission”) directed the Utilities Division Staff (“Staff”) to open a new electric rulemaking docket and prepare and file in the new electric rulemaking docket for the Commission’s discussion, consideration, and possible vote at a future Open Meeting a Notice of Rulemaking Docket Opening and Notice of Proposed Rulemaking for filing with the Arizona Secretary of State proposing rules for the adoption of All-Source Requests for Proposals (“ASRFPs”) and Integrated Resource Plans (“IRPs”).

*Resource Planning and Procurement Rules*

2. The Commission adopted Resource Planning and Procurement Rules<sup>1</sup> in 1989 for utilities defined as Load Serving Entities (“LSEs”), which enable LSEs to meet the electric needs of

<sup>1</sup> See A.A.C. R14-2-701 *et seq.*



1 their customers by choosing the best mix of resources, through a transparent process allowing input  
2 from stakeholders. In Commission Decision No. 71722 (June 3, 2010), the Commission amended  
3 the original Resource Planning and Procurement Rules to include consideration of a diverse portfolio  
4 of purchased power, utility-owned generation, renewables, demand-side management, and  
5 distributed generation.

6 3. The Commission's Resource Planning and Procurement Rules outline a process for  
7 each LSE to file its resource plan. Each LSE's proposed resource plan assesses how it will meet  
8 forecasted annual peak and energy demand through a balance of supply-side and demand-side  
9 resources over a specific time period.

10 *All-Source Requests for Proposals and Integrated Resource Plan Rules*

11 4. Staff has leveraged the record of Commissioner correspondence, written comments,  
12 workshops, and other information filed in Docket No. RU-00000A-18-0284, as it relates to resource  
13 planning and procurement, to develop proposed ASRFP and IRP Rules as directed by the  
14 Commission at its January 26, 2022, Special Open Meeting.

15 5. Staff proposes repealing the Commission's existing Resource Planning and  
16 Procurement Rules and adopting new ASRFP and IRP Rules, in proposed Article 28 of Title 14,  
17 Chapter 2, of the Arizona Administrative Code ("A.A.C.").

18 6. The proposed rules require: Commission review and approval of a utility's load  
19 forecast and needs assessment before the utility creates its IRP, Commission or Staff approval of a  
20 utility's All-Source Request for Information language before the procurement process begins, and  
21 the requirement that a utility use an ASRFP process for the procurement of resources.

22 7. Appendix A, B, and C, which are attached to Staff's Proposed Order, include: A)  
23 Staff proposed draft ASRFP and IRP Rules, A.A.C. R14-2-2801 *et seq.*; B) Strikethrough of the  
24 Commission's existing Resource Planning and Procurement Rules; and C) A list of information, that  
25 was filed in Docket No. RU-00000A-18-0284, that was used in drafting the proposed rules.

26 **Staff Analysis and Recommendations**

27 8. Staff recommends that the Commission direct Staff to file, by April 1, 2022, with the  
28 office of the Secretary of State, for publication in the *Arizona Administrative Register* no later than

1 April 22, 2022, (1) a Notice of Rulemaking Docket Opening and (2) a Notice of Proposed  
2 Rulemaking that includes the text of the rules as included in Appendix A.

3 9. Based on consultation with the Hearing Division, Staff further recommends that the  
4 Commission direct the Hearing Division to hold oral proceedings to receive public comment on the  
5 Notice of Proposed Rulemaking on May 24 and 25, 2022, at 10:00 a.m. or as soon as practicable  
6 thereafter.

7 10. Staff further recommends that interested parties be requested to provide comments  
8 concerning the Notice of Proposed Rulemaking by filing written comments with the Commission's  
9 Docket Control by May 27, 2022, and be permitted to provide oral comments at the proceedings to  
10 be held on May 24 and 25, 2022.

11 11. Staff further recommends that the Commission direct Staff to file a draft Economic,  
12 Small Business, and Consumer Impact Statement ("EIS") by May 16, 2022.

13 12. Staff further recommends that the Commission direct Staff to file, by July 1, 2022, a  
14 revised EIS, if necessary, along with a summary of all written and oral comments concerning the  
15 Notice of Proposed Rulemaking received between April 22, 2022, and May 27, 2022, with Staff's  
16 responses.

17 13. Staff further recommends that the Commission establish additional procedural  
18 deadlines and requirements as may be necessary, consistent with the Administrative Procedures Act  
19 and prior Commission rulemaking procedures.

#### 20 CONCLUSIONS OF LAW

21 1. Pursuant to Article XV, Section 3 of the Arizona Constitution and Arizona Revised  
22 Statutes Title 40 generally, the Commission has authority to take the actions described in Findings  
23 of Fact Numbers 8 through 13.

24 2. It is in the public interest to take the actions described in Findings of Fact Numbers  
25 8 through 13.

26 ...

27 ...

28 ...



ORDER

IT IS THEREFORE ORDERED that the Utilities Division shall, by April 1, 2022, prepare and file with the Office of the Secretary of State, for publication in the *Arizona Administrative Register* no later than April 22, 2022, (1) a Notice of Rulemaking Docket Opening and (2) a Notice of Proposed Rulemaking that includes the text of the rules as included in Appendix A, attached hereto, and incorporated herein by reference.

IT IS FURTHER ORDERED that the Hearing Division shall hold telephonic oral proceedings to receive public comment on the Notice of Proposed Rulemaking on May 24 and May 25, 2022, at 10:00 a.m. or as soon as practicable thereafter.

IT IS FURTHER ORDERED that any interested person may provide public comment telephonically during either oral proceeding by calling 1-888-450-5996 and using passcode 457395#.

IT IS FURTHER ORDERED that the Utilities Division shall ensure that the Preamble to the Notice of Proposed Rulemaking conforms with the requirements of Arizona Revised Statutes Section 41-1001(18).

IT IS FURTHER ORDERED that the Utilities Division shall ensure that the preamble to the Notice of Proposed Rulemaking states that (1) written comments on the Notice of Proposed Rulemaking must include a reference to Docket No. RE-00000A-22-0029; (2) written comments should be filed with the Commission's Docket Control by May 27, 2022; and (3) oral comments may be provided at the oral proceedings to be held on May 24 and 25, 2022.

IT IS FURTHER ORDERED that the Utilities Division shall ensure that any written comments filed with the Utilities Division rather than the Commission's Docket Control are filed with the Commission's Docket Control.

IT IS FURTHER ORDERED that the Utilities Division shall, by May 16, 2022, file with the Commission's Docket Control an Economic, Small Business, and Consumer Impact Statement that addresses the economic impacts of the recommended changes to the rules as included in Appendix A and conforms to the requirements of Arizona Revised Statutes Section 41-1057(A)(2).

...

1 IT IS FURTHER ORDERED that the Utilities Division shall, by July 1, 2022, file with the  
2 Commission's Docket Control (1) a document including (a) a summary of all written and oral  
3 comments concerning the Notice of Proposed Rulemaking received between the effective date of  
4 this Order and May 27, 2022, along with (b) the Utilities Division's responses to those comments;  
5 and (2) a revised Economic, Small Business, and Consumer Impact Statement or a memorandum  
6 explaining why no revision of the prior filed Economic, Small Business, and Consumer Impact  
7 Statement is necessary.

8 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

9  
10 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

11  
12 CHAIRWOMAN MÁRQUEZ PETERSON

COMMISSIONER KENNEDY

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15 COMMISSIONER OLSON

COMMISSIONER TOVAR

COMMISSIONER O'CONNOR

16  
17 IN WITNESS WHEREOF, I, MATTHEW J. NEUBERT,  
18 Executive Director of the Arizona Corporation Commission,  
19 have hereunto, set my hand and caused the official seal of this  
20 Commission to be affixed at the Capitol, in the City of  
21 Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

22 MATTHEW J. NEUBERT  
23 EXECUTIVE DIRECTOR

24 DISSENT: \_\_\_\_\_

25  
26 DISSENT: \_\_\_\_\_

27 EOA:ZTB:clr/KMU  
28

Decision No. \_\_\_\_\_



**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS;  
SECURITIES REGULATION**

**CHAPTER 2. CORPORATION COMMISSION- FIXED UTILITIES**

**ARTICLE 28. ALL-SOURCE REQUESTS FOR PROPOSALS AND INTEGRATED  
RESOURCE PLANNING**

Section

R14-2-2801. Definitions

R14-2-2802. Applicability

R14-2-2803. Development of Proposed Load Forecast and Needs Assessment

R14-2-2804. Load Forecast and Needs Assessment Approval

R14-2-2805. All-Source Request for Information

R14-2-2806. ASRFI Process; Resource Plan Approval

R14-2-2807. Implementation of Action Plan

R14-2-2808. Annual Reporting Requirements

R14-2-2809. Independent Monitor Selection and Responsibilities

R14-2-2810. Confidential Information

R14-2-2811. Exemptions

R14-2-2812. Cooperatives

R14-2-2813. Cost Recovery and Prudency

**ARTICLE 28. ALL-SOURCE REQUESTS FOR PROPOSALS AND INTEGRATED  
RESOURCE PLANNING**

**R14-2-2801. Definitions**

In this Article, unless otherwise specified:

1. "Action Plan" means the first five years of a Load-Serving Entity's Commission-approved Resource Portfolio.
2. "Affiliated" means related through ownership of voting securities, through contract, or otherwise in such a manner that one entity directly or indirectly controls another, is directly or indirectly controlled by another, or is under direct or indirect common control with another entity.
3. "All-Source" means Supply-Side and Demand-Side Resources.
4. "All-Source Request for Information" or "ASRFI" means a process wherein a Utility solicits open All-Source information from market participants to address the Utility's resource and Reliability needs.
5. "All-Source Request for Proposals" or "All-Source RFP" means a process wherein a Utility solicits open All-Source bids from market participants to address the Utility's resource and Reliability needs.
6. "Approval" means Commission authorization to take an action or implement a plan, but is not a determination that the action to be taken or the implementation of a plan is prudent for the purposes of ratemaking or cost recovery.
7. "Benchmark" means to calibrate against a known set of values or standards.
8. "Btu" means British thermal unit.
9. "Capacity" means the nameplate rating of a Generating Unit.
10. "Capacity Factor" means the ratio of power produced by a Generating Unit in a given period of time compared to the maximum amount it could generate in the same period of time without interruption.
11. "Coincident Peak" means the maximum aggregate sum of system demand within a specific time period.
12. "Commission" means the Arizona Corporation Commission.
13. "Cooperative" means a Utility that is:
  - a. Not operated for profit;



- b. Owned and controlled by its members; and
  - c. Operating as a public service company in this state.
14. “Customer” means the individual or entity in whose name service is rendered to a single contiguous field, location, or facility.
15. “Customer Class” means a subset of Customers categorized according to similar characteristics, such as:
- a. Amount of energy consumed;
  - b. Amount of demand placed on the energy supply system at the system peak;
  - c. Hourly, daily, or monthly load pattern;
  - d. Primary type of activity engaged in by the Customer, such as residential, commercial, industrial, agricultural, or governmental; or
  - e. A specific geographical location.
16. “Decommission” means to safely and economically remove a Generating Unit from service.
17. “Demand Response” means modification of Customers’ energy consumption patterns, affecting the timing or quantity of Customer demand and usage, achieved through intentional actions taken by a Utility or the Customer.
18. “Demand-Side Management” or “DSM” means the beneficial reduction in the Total Cost of meeting energy service needs by reducing or shifting the time of energy usage.
19. “Demand-Side Resource” means any DSM Measure, DSM Program, Demand Response-based mechanism, Energy Efficiency-based mechanism, or Load Management-based mechanism.
20. “Dispatchable Resource” means an electric power system resource for which power output supplied to the electric grid can be turned on and off or otherwise adjusted on demand.
21. “Distributed Generation” means any type of electrical Generating Unit, including all inverter(s) and protective, safety, and associated equipment necessary to produce electric power, that is located on the Distribution System or any subsystem of the Distribution System, or behind the Customer meter.
22. “Distribution System” means the infrastructure constructed, maintained, and operated by a Utility to deliver service at the distribution level (69 kilovolts or less) to its Customers.

23. “DSM Measure” means any material, device, technology, educational program, pricing option, practice, or facility alteration designed to result in reduced peak demand, increased Energy Efficiency, or shifting of energy consumption to off-peak periods.
24. “DSM Program” means a Utility program provided as part of a single offering to its Customers and designed to implement:
- a. One or more DSM Measures,
  - b. Demand Response, or
  - c. Energy Efficiency.
25. “Electric Utility” means a public service corporation under the Arizona Constitution, Article 15, § 2, providing electric service to the public in Arizona.
26. “Emergency” means an unforeseen and unforeseeable condition that:
- a. Does not arise from a Utility’s failure to engage in Good Utility Practice,
  - b. Is temporary in nature, and
  - c. Threatens Reliability or poses another significant risk to the system.
27. “End Use” means the final application of energy, for activities such as, but not limited to, heating, cooling, running an appliance or motor, an industrial process, or lighting.
28. “Energy Efficiency” means the production or delivery of an equivalent level and quality of End Use electric service using less energy, or the conservation of energy by a Customer.
29. “Energy Losses” means the quantity of energy generated or purchased that is not available for sale for End Use, for resale, or for use by the Load-Serving Entity.
30. “Energy Storage System” means equipment capable of storing generated energy and providing a means to discharge that energy at a later time.
31. “Environmental Benefits” means avoidance of costs for compliance, or reduction in environmental impacts, for things such as, but not limited to:
- a. Water use and water contamination,
  - b. Storage and disposal of solid waste,
  - c. Burning fossil fuels, and
  - d. Producing fuels and energy.
32. “Federal Poverty Level” means the U.S. federal poverty guideline for the pertinent household size published annually in the Federal Register by the U.S. Department of Health



and Human Services, Office of the Assistant Secretary for Planning and Evaluation, and available at <https://aspe.hhs.gov/poverty-guidelines>.

33. “Generating Unit” means a specific device or set of devices that converts one form of energy, such as mechanical, thermal, or chemical energy, into electricity, excluding energy conversion related to an Energy Storage System.
34. “Good Utility Practice” means any of the practices, methods, and acts engaged in or approved by a significant portion of the energy industry during the relevant time period, or any of the practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with Reliability, safety, efficiency, and expedition. Good Utility Practice is not intended to be limited to the optimal practice, method, or act to the exclusion of all others, but rather to include practices, methods, or acts generally accepted in the region at the relevant time.
35. “Heat Rate” means a measure of Generating Unit thermal efficiency expressed in Btu per net kWh and computed by dividing the total Btu content of fuel used for electric generation by the total kWh of energy generated.
36. “Impacted Communities” means cities, towns, counties, communities, tribes, census-designated places, and non-incorporated geographic areas that will be negatively affected, financially or socially, by the closure of fossil fuel power plants or mining facilities, located in or near their jurisdictions or boundaries, that have been a source of economic income and employment.
37. “Independent” means that a Person is not Affiliated with a Utility.
38. “Independent Monitor” means a Person that is not Affiliated with a Utility and that is selected to oversee the conduct of a competitive procurement process.
39. “Integrated Resource Plan” or “IRP” means a Load-Serving Entity’s plan to meet forecasted annual peak and energy demand through a combination of Supply-Side and Demand-Side Resources in accordance with this Article and applicable laws and regulations that constrain resource selection.
40. “In-Service Date” means the date a resource becomes available for use by a Utility.
41. “Interruptible Service” means service under a Tariff or agreement that permits curtailment or cessation of delivery by the supplier.

42. “Kilowatt-hour” or “kWh” means the electric energy equivalent to the amount of electric energy delivered in one hour when delivery is at a constant rate of one kilowatt.
43. “Limited-Income Customer” means:
- a. A residential Customer with annual household income at or below 250 percent of the Federal Poverty Level; or
  - b. A residential Customer with annual household income at or below a percentage of the Federal Poverty Level higher than 250 percent, as established by an Electric Utility in a Commission-approved Tariff.
44. “Load Forecast and Needs Assessment” means an estimate or projection of a Utility’s electric loads and the factors that affect those loads, designed to determine, as accurately as possible, the Utility’s future demand for energy and Capacity, combined with identification of the Utility’s resource deficits to meet the projected loads with Reliability.
45. “Load Management” means actions taken or sponsored by a Utility to reduce peak demands or improve system operating efficiency, such as:
- a. Utilizing an Energy Storage System,
  - b. Educational campaigns to encourage Customers to shift loads, or
  - c. Direct control by the Utility of Customer demands through Interruptible Service.
46. “Load-Serving Cooperative” means a Load-Serving Entity that is a Cooperative.
47. “Load-Serving Entity” means an Electric Utility that provides energy generation service and operates or owns, in whole or in part, a Generating Unit or Generating Units with aggregate Capacity of at least 50 megawatts.
48. “Maintenance” means the repair of generation, transmission, distribution, administrative, and general facilities; replacement of minor items; and installation of materials to preserve the efficiency and working condition of facilities.
49. “Operate” means to manage or otherwise be responsible for the production of energy by a Generating Unit, whether that Generating Unit is owned by the operator, in whole or in part, or by another Person.
50. “Person” means an individual, partnership, corporation, limited liability company, governmental agency, or other organization operating as a single entity.
51. “Procurement Activity Report” means the annual submission of information to the Commission required by R14-2-2807(B).

52. “Production Cost” means the variable operating costs and Maintenance costs of producing energy through generation, plus the cost of purchases of power sufficient to meet a Utility’s demand.
53. “Reliability” means a measure of the ability of a Load-Serving Entity’s generation, transmission, or Distribution System to provide power without failures, which reflect the portion of time that a system is unable to meet demand or the kilowatt-hours of demand that could not be supplied.
54. “Renewable Power” means electric power derived from energy resources that can be replenished by natural processes, such as solar, wind, ocean, hydropower, biomass, geothermal, and biofuels.
55. “Reserve Requirements” means the Capacity that a Load-Serving Entity must maintain in excess of its peak load to provide for scheduled Maintenance, forced outages, unforeseen loads, Emergencies, system operating requirements, and any agreement to provide backup Capacity to another Load-Serving Entity.
56. “Resource Planning Advisory Council” or “RPAC” means the group of interested Persons formed by a Load-Serving Entity as required by R14-2-2803(A)(2), unless the Load-Serving Entity is a Load-Serving Cooperative, in which case “Resource Planning Advisory Council” or “RPAC” means the Load-Serving Cooperative’s Board of Directors.
57. “Resource Portfolio” means the combination of selected Supply-Side Resources and Demand-Side Resources to be used over a forecasted 15-year period to meet electric demand in a safe, reliable, and efficient manner, taking into consideration the factors set forth in R14-2-2806(C).
58. “Spinning Reserve” means the Capacity a Load-Serving Entity must maintain connected to the system and ready to deliver power promptly in the event of an unexpected loss of generation source, expressed as a percentage of peak load, a percentage of the production Capacity of the largest Generating Unit, or in fixed megawatts.
59. “Staff” means individuals working for the Commission, whether as employees or through contract.
60. “Supply-Side Resource” means a resource that provides a supply of energy, Capacity, or grid services to a Utility.



61. “Tariff” means the document(s) setting forth the requirements related to an Electric Utility’s service, such as rates and charges, terms and conditions of service, available program offerings, or any combination of these that has been submitted for Approval or approved by the Commission.
62. “Total Cost” means all capital, operating, Maintenance, fuel, and Decommissioning costs, plus the costs associated with mitigating any adverse environmental effects in the provision or conservation of electric energy services.
63. “Utility” means an Electric Utility.

**R14-2-2802. Applicability**

- A. This Article applies to each Load-Serving Entity.**
- B. An Electric Utility that becomes a Load-Serving Entity by increasing its generating capacity to at least 50 megawatts combined shall provide written notice to the Commission within 30 days after the increase and shall comply with the filing requirements in this Article within two years after the notice is filed.**

**R14-2-2803. Development of Proposed Load Forecast and Needs Assessment**

- A. To develop a Load Forecast and Needs Assessment, a Load-Serving Entity shall:**
- 1. Prepare at least five alternative 15-year Load Forecasts and Needs Assessments, which shall include:**
    - a. A Load Forecast and Needs Assessment showing the load growth expected by the Load-Serving Entity based on available data,**
    - b. A Load Forecast and Needs Assessment showing the load growth expected by the RPAC based on available data,**
    - c. A Load Forecast and Needs Assessment showing no load growth,**
    - d. A Load Forecast and Needs Assessment showing lower than expected load growth, and**
    - e. A Load Forecast and Needs Assessment showing higher than expected load growth;**
  - 2. To facilitate stakeholder participation throughout the resource planning process, form an RPAC, in compliance with subsection (B);**
  - 3. Supply the RPAC with all data and information used by the Load-Serving Entity in the development of its Load Forecast and Needs Assessment, which shall include, but not be limited to, modeling assumptions, outputs, and methodologies used;**

4. Respond to data requests from RPAC members pursuant to the requirements of A.A.C. R14-3-101 and specific Commission orders regarding discovery;
5. Meet with the RPAC in a workshop environment to obtain input on the validity of each alternative Load Forecast and Needs Assessment and recommendations for the Load Forecast and Needs Assessment to be proposed to the Commission; and
6. After good faith consideration of the input and recommendations received from the RPAC, refine the Load Forecast and Needs Assessment.

**B. In forming an RPAC, a Load-Serving Entity shall ensure that the RPAC includes a diverse range of interested Persons, including but not limited to:**

1. Representatives from public interest groups,
2. A consumer advocate or advocacy group,
3. An advocate or advocacy group representing Limited-Income Customers,
4. A member of the public at large,
5. A representative of each Customer Class served by the Load-Serving Entity,
6. An environmental advocate, and
7. A representative from each of the following industries:
  - a. Renewable Power,
  - b. Energy Efficiency or DSM,
  - c. Energy Storage Systems, and
  - d. Electric vehicles.

**R14-2-2804. Load Forecast and Needs Assessment Approval**

**A. A Load-Serving Entity shall, by August 1 of every third year, beginning with August 1, 2024, file with the Commission, in a new docket, a request for Approval of Load Forecast and Needs Assessment, which shall include the refined Load Forecast and Needs Assessment created under R14-2-2803 and all of the data and information used to develop the refined Load Forecast and Needs Assessment, including but not limited to the modeling assumptions, outputs, and methodologies used.**

**B. Staff shall, within 90 days after the request for Approval is filed:**

1. Analyze the Load Forecast and Needs Assessment,
2. Schedule at least one Commission workshop at which input regarding the Load Forecast and Needs Assessment can be provided by interested Persons,

3. Provide the public notice of each Commission workshop at least through a filing in the docket and posting on the Commission's website, and
  4. Accept input regarding the Load Forecast and Needs Assessment through at least one Commission workshop and written comments.
- C. Within 30 days after the final Commission workshop, Staff shall file a memorandum and proposed order recommending a Load Forecast and Needs Assessment to be used for the Load-Serving Entity.
- D. Within 30 days after the memorandum and proposed order is filed, the Commission shall consider the proposed order at an open meeting.
- E. The Commission shall issue a decision approving a Load Forecast and Needs Assessment to be used in the Load-Serving Entity's ASRFI.

**R14-2-2805. All-Source Request for Information**

- A. After its Load Forecast and Needs Assessment are approved by the Commission, a Load-Serving Entity shall develop an ASRFI, which shall be:
1. Designed to obtain responses from numerous and diverse vendors of Supply-Side Resources and Demand-Side Resources that may be able to meet all or any part of the Load-Serving Entity's Load Forecast and Needs Assessment approved under R14-2-2804;
  2. Designed to enable Demand-Side Resources and Supply-Side Resources to compete on equal footing and not be limited to Dispatchable Resources;
  3. Designed to meet the needs and system requirements developed in the approved Load Forecast and Needs Assessment as safely and reliably as possible, while prioritizing the factors set forth under R14-2-2806(C);
  4. Technology neutral;
  5. Fuel neutral;
  6. Location neutral, except for compliance with R14-2-2806(C);
  7. Size neutral;
  8. Vendor neutral; and
  9. Designed to provide notice to responders that RPAC members will be able to review the responses resulting from the ASRFI.
- B. After developing draft language for its ASRFI, a Load-Serving Entity shall:
1. Provide copies of the draft ASRFI language to the RPAC members;

2. Meet with the RPAC in a workshop environment to obtain input on the draft ASRFI language and recommendations for any changes; and
  3. After good faith consideration of the input and recommendations received from the RPAC, refine the ASRFI language.
- C. A Load-Serving Entity shall file the refined ASRFI language, created under subsection (B)(3), with the Commission.
- D. Within 30 days after a Load-Serving Entity files its refined ASRFI language, Staff shall file a notice that the refined ASRFI language is either in compliance with subsection (A) or is deficient. If the refined ASRFI language does not comply with subsection (A), Staff and the Load-Serving Entity shall attempt in good faith to reach agreement on ASRFI language that complies with subsection (A).
- E. If Staff and the Load-Serving Entity are unable to reach agreement on ASRFI language, the following shall occur:
1. Staff shall, within 60 days after receiving the Load-Serving Entity's refined ASRFI language, file a memorandum and proposed order recommending ASRFI language that complies with subsection (A) to be used by the Load-Serving Entity;
  2. Within 30 days after the memorandum and proposed order is filed, the Commission shall consider the Proposed Order at an open meeting; and
  3. The Commission shall issue a decision approving ASRFI language that complies with subsection (A) to be used by the Load-Serving Entity.
- F. If Staff determines that the refined ASRFI language is in compliance with subsection (A), or if Staff and the Load-Serving Entity are able to reach agreement on ASRFI language that is in compliance with subsection (A), but an RPAC member disagrees with the ASRFI language, the RPAC member may, within five days after Staff files its notice of compliance, file a request for review of the ASRFI language by the Commission. In a request for review of the ASRFI language, the RPAC member shall propose alternative ASRFI language that complies with subsection (A).
- G. If the Commission chooses to review ASRFI language pursuant to a request made under subsection (F), the Commission, within 45 days of the RPAC member's filed request for review, shall:



1. Consider the Load-Serving Entity's ASRFI language and the proposed alternative ASRFI language at an open meeting, and
  2. Issue a decision approving ASRFI language that complies with subsection (A) to be used by the Load-Serving Entity.
- H.** If the Commission chooses not to review ASRFI language pursuant to a request made under subsection (F), the ASRFI language shall be deemed to have Commission Approval 45 days after the request is filed.

**R14-2-2806. ASRFI Process; Integrated Resource Plan Approval**

- A.** A Load-Serving Entity shall conduct its ASRFI process using the ASRFI language resulting from the process specified in R14-2-2805, or as otherwise ordered by the Commission.
- B.** After the ASRFI response submission deadline has passed, a Load-Serving Entity shall:
1. Review and consider each response submitted to satisfy all or any part of the Load-Serving Entity's approved Load Forecast and Needs Assessment, taking into account the provisions of subsection (C);
  2. Formulate a draft Integrated Resource Plan that:
    - a. Includes a preferred Resource Portfolio and at least ten alternative Resource Portfolios, each of which describes all of the energy resources the Load-Serving Entity believes should be used to meet its 15-year Load Forecast and Needs Assessment; one of which represents the lowest Total Cost method of safely and reliably meeting customer's energy needs, and one of which is technology agnostic;
    - b. Provides cost-savings and increase comparisons both with and without the lowest Total Cost method of safely and reliably meeting customers' energy needs, externalities or societal costs for each of the Resource Portfolios, separately for the periods of the 5-year Action Plan, the 15-year IRP, and the resource lifetime, displaying comparisons year-by-year and for the net present value and identifying the specific resources, resource categories, and technologies that contribute to cost-savings and cost increases; and
    - c. Provides any supplemental data and analyses used in justifying its choices; and
  3. After developing a draft Integrated Resource Plan:
    - a. Provide copies of the draft Integrated Resource Plan to the RPAC members;

- b. Meet with the RPAC in a workshop environment to obtain input on the draft Integrated Resource Plan and recommendations for any changes; and
  - c. After good faith consideration of the input and recommendations received from the RPAC, refine the Integrated Resource Plan.
- C. When determining the resources to include in its refined Integrated Resource Plan, a Load-Serving Entity shall prioritize minimizing the cost of providing electric energy service to Customers through a combination of Supply-Side Resources and Demand-Side Resources that will result in the lowest overall, lifetime costs to meet Customers' energy needs safely and reliably. A Load-Serving Entity may also consider factors that have a reasonable nexus to ratemaking, such as, but not limited to, the following:
  - 1. Improving system Reliability and resiliency;
  - 2. Providing adequate service to Customers;
  - 3. Diversifying fuel supplies and technologies;
  - 4. Stabilizing the electric power supply;
  - 5. Decreasing peak demand;
  - 6. Decreasing demand during hours when the price per kWh for Customers is highest;
  - 7. Providing opportunities for additional savings;
  - 8. Improving the economic utilization of new and existing resources;
  - 9. Reducing the need to build new transmission to support the new resources;
  - 10. Reducing the risk of losing transmission to natural disaster or other unanticipated events;
  - 11. Improving the efficiency of the transmission grid;
  - 12. Reducing the costs associated with complying with local, state, and federal regulations;
  - 13. Improving grid security and the personal health and safety of patrons and employees;
  - 14. Meeting the demand for electricity in the least costly way to society;
  - 15. Providing Environmental Benefits or reducing environmental impacts, such as, but not limited to, benefits and impacts regarding air and water pollution, emissions, ground water and surface water pollution and consumption, recyclability of resources and of resources' respective parts and components, and the carbon footprint and environmental impacts and benefits of each resource's full lifecycle and supply chain and of the full lifecycles and supply chains of each of the resource's respective parts and components;

16. Providing economic benefits or reducing negative economic impacts, such as, but not limited to, benefits and impacts related to economic development, job creation or retention, Customer growth or retention, location or jurisdiction of manufacture, location or jurisdiction of the source of the resource's respective parts and components, and the development of new technologies, innovations, or pilot programs;
  17. Minimizing the occurrence or appearance of anti-competitive behavior and self-dealing between Electric Utilities and Affiliated Persons;
  18. Benefitting Impacted Communities; and
  19. Serving the Public Interest.
- D. A Load-Serving Entity shall, by August 1 of every third year, beginning with August 1, 2026, file with the Commission, in the docket created for the Load Forecast and Needs Assessment, the refined Integrated Resource Plan language created under subsection (B)(3). The Load-Serving Entity shall:**
1. Include in its filing any additional data or analyses that it believes Staff or the Commission will find useful in considering the Integrated Resource Plan;
  2. Provide to Staff and the Commission any additional information requested after the initial filing; and
  3. Negotiate a project-based licensing fee that permits RPAC members and Staff the ability to perform their own modeling in the same software package utilized by the Load-Serving Entity in the development of its Integrated Resource Plan.
- E. Staff shall, within 90 days after the Integrated Resource Plan is filed:**
1. Analyze the Integrated Resource Plan and the Load-Serving Entity's consideration of the factors set forth in subsection (C);
  2. Schedule at least one Commission workshop at which input regarding the Integrated Resource Plan can be provided by interested Persons;
  3. Provide the public notice of each Commission workshop at least through a filing in the docket and posting on the Commission's website; and
  4. Accept input regarding the Integrated Resource Plan through at least one Commission workshop and written comments.
- F. Within 30 days after the final Commission workshop, Staff shall file a memorandum and proposed order recommending a Resource Portfolio for use by the Load-Serving Entity.**

- G. Within 30 days after the memorandum and proposed order is filed, the Commission shall consider the proposed order at an open meeting.
- H. The Commission shall issue a decision approving a Resource Portfolio to be implemented by the Load-Serving Entity.
- I. Staff may hire one or more consultants, as necessary, to meet the obligation and timelines of R14-2-2803 through R14-2-2806. The Commission may order the Load-Serving Entity to fund an Independent consultant to be selected by Staff to assist in Staff's analysis.

**R14-2-2807. Implementation of Action Plan**

- A. A Load-Serving Entity shall implement the Action Plan approved for it by the Commission and, except as permitted by this Article, utilize an All-Source RFP process to procure resources per the Commission-approved Action Plan.
- B. A Load-Serving Entity shall file an annual Procurement Activity Report that shall specify, at a minimum, the following:
  - 1. The results of the Load-Serving Entity's All-Source RFP process;
  - 2. The procurement activities the Load-Serving Entity undertook in the previous calendar year to effectuate its Commission-approved Action Plan;
  - 3. The planned procurement activities for the calendar year to effectuate its Commission-approved Action Plan;
  - 4. All associated cost information related to the Load-Serving Entity's planned procurement activities;
  - 5. A timeline describing each planned procurement activity; and
  - 6. If necessary, any request to update its Commission-approved Action Plan.
- C. Within 60 days after receiving a Load-Serving Entity's request to update its Action Plan, the Commission shall issue:
  - 1. An order of Approval of the Load-Serving Entity's request to update its Action Plan, or
  - 2. An order denying the Load-Serving Entity's request to update its Action Plan.
- D. If a Load-Serving Entity determines, during the implementation period for its most recently approved Action Plan, that it will be unable to implement any portion of the Action Plan due to circumstances beyond its control, the Load-Serving Entity shall file with the Commission, in a new docket, notification of the circumstances preventing implementation along with any appropriate request for exemption under R14-2-2811.



**R14-2-2808. Annual Reporting Requirements**

A. A Load-Serving Entity shall, by January 31 of each year, beginning on January 31, 2024, file with the Commission a report that includes the following items of Demand-Side Resource data, including for each item for which no record is maintained the Load-Serving Entity's best estimate and a full description of how the estimate was made:

1. Average hourly demand for the previous calendar year, disaggregated by:
  - a. Sales for End Use;
  - b. Sales for resale;
  - c. Energy Losses; and
  - d. Other disposition of energy, such as energy furnished without charge and energy used by the Load-Serving Entity;
2. Coincident Peak demand and energy consumption by month for the previous calendar year, disaggregated by Customer Class;
3. Average number of annual Customers by Customer Class for the previous calendar year; and
4. Reduction in load (kilowatt and Kilowatt-hours) in the previous calendar year due to existing DSM Measures, by type of DSM Measure.

B. A Load-Serving Entity shall, by January 31 of each year, beginning January 31, 2024, file with the Commission a report that includes the following items of Supply-Side Resource data, including for each item for which no record is maintained the Load-Serving Entity's best estimate and a full description of how the estimate was made:

1. For each Generating Unit and purchased power contract for the previous calendar year:
  - a. In-Service Date and the expected time period or contract period during which the Supply-Side Resource will be available for use by the Load-Serving Entity;
  - b. The type of Generating Unit or contract;
  - c. The Load-Serving Entity's share of the Generating Unit's Capacity, or of Capacity under the contract, in megawatts;
  - d. The maximum Generating Unit or contract Capacity, by hour, day, or month, if such Capacity varies during the year;
  - e. The annual Capacity Factor;

- f. The average Heat Rate of the Generating Unit and, if available, its Heat Rates at specified output levels;
- g. The average fuel cost for the Generating Unit, in dollars per million Btu for each type of fuel;
- h. Other variable operating and Maintenance costs for the Generating Unit, in dollars per megawatt-hour;
- i. The purchased power energy costs for each contract exceeding three calendar years, in dollars per megawatt-hour;
- j. The fixed operating and Maintenance costs of the Generating Unit, in dollars per megawatt;
- k. The demand charges for purchased power;
- l. The fuel type for each Generating Unit;
- m. The minimum Capacity at which the Generating Unit would be run, or purchased power is needed, if applicable;
- n. Whether, under standard operating procedures, the Generating Unit must be run if it is available to run;
- o. The description of each Generating Unit as base load, intermediate, or peaking;
- p. The environmental impacts, including air emission quantities (in metric tons or pounds) and rates (in quantities per megawatt-hour) for carbon dioxide, nitrogen oxides, sulfur dioxide, mercury, particulates, and other air emissions subject to current or expected future environmental regulation;
- q. The water consumption quantity and rate;
- r. The amount of coal ash (by ton) produced per Generating Unit; and
- 2. For each Supply-Side Resource in the previous calendar year:
  - a. A description of Generating Unit commitment procedures;
  - b. Production Costs;
  - c. Reserve Requirements;
  - d. Spinning Reserve;
  - e. Reliability of the generating, transmission, and Distribution Systems;
  - f. Purchase and sale prices, averaged by month, for the aggregate of all purchases and sales-related contracts with a duration of less than three calendar years; and

g. Energy Losses;

3. The total Capacity of Distributed Generation in the Load-Serving Entity's service area for the previous calendar year; and
4. An explanation of any resource procurement processes undertaken by the Load-Serving Entity during the previous calendar year that did not use an All-Source RFP, including the R14-2-2811(A) exception that applies.

**R14-2-2809. Independent Monitor Selection and Responsibilities**

- A. When a Load-Serving Entity contemplates engaging in an All-Source RFP process, the Load-Serving Entity shall consult with Staff regarding the identity of companies or consultants that could serve as Independent Monitor for the All-Source RFP process.
- B. After consulting with Staff, a Load-Serving Entity shall create a vendor list of, at minimum, three to five candidates to serve as Independent Monitor and shall file the vendor list with the Commission to allow interested Persons time to review and file objections to the vendor list.
- C. An interested Person shall file with the Commission, within 30 days after a vendor list is filed with the Commission, any objection that the interested Person may have to a candidate's inclusion on the vendor list.
- D. Within 60 days after a vendor list is filed with the Commission, Staff shall issue a notice identifying each candidate on the vendor list that Staff considers to be qualified to serve as Independent Monitor for the contemplated All-Source RFP process. In making its determination, Staff shall consider the experience of the candidates, the professional reputation of the candidates, and any objections filed by interested Persons.
- E. A Load-Serving Entity may retain any of the candidates identified in Staff's notice as an Independent Monitor for the contemplated All-Source RFP process.
- F. A Load-Serving Entity shall file with the Commission a written notice of its retention of an Independent Monitor.
- G. A Load-Serving Entity is responsible for paying the Independent Monitor for its services and may charge a reasonable bidder's fee to each bidder in the All-Source RFP process to help offset the cost of the Independent Monitor's services.
- H. At least one week prior to the All-Source RFP deadline for submitting bids, a Load-Serving Entity shall provide the Independent Monitor a copy of any bid proposal prepared by the Load-Serving Entity or a Person Affiliated with the Load-Serving Entity and a copy of any

Benchmark-based costs or reference cost the Load-Serving Entity has developed for use in evaluating bids. The Independent Monitor shall take steps to secure the Load-Serving Entity's or Affiliated Person's bid proposal and any Benchmark-based costs or reference cost so that they are inaccessible to any bidder.

**R14-2-2810. Confidential Information**

A. If a Load-Serving Entity believes that a reporting requirement pursuant to this Article may result in disclosure of confidential business data or confidential energy infrastructure information, the Load-Serving Entity shall file with the Commission:

1. A public version of the reporting requirement pursuant to this Article, from which all data or information considered to be confidential has been redacted; and
2. A request to submit the data or information that is considered to be confidential to Staff pursuant to a confidentiality agreement, which request shall cite each statute, rule, court opinion, or other basis supporting the confidential treatment of the data or information.

B. Data and information protected by a confidentiality agreement shall not be filed with the Commission and shall not be open to public inspection or otherwise made public except upon an order of the Commission entered after written notice to the Utility and upon a finding of good cause for disclosure.

**R14-2-2811. Exemptions**

A. A Load-Serving Entity shall comply with R14-2-2805(A), R14-2-2806(A), and R14-2-2807(A), unless one of the following exceptions applies:

1. The Load-Serving Entity is experiencing an Emergency;
2. The Load-Serving Entity needs to make a short-term acquisition to maintain system Reliability and that acquisition is for a period of no more than 24 months from the time executed;
3. The Load-Serving Entity needs to acquire short-term economic purchases for 15 months or less, or other components of energy procurement, such as fuel, fuel transportation, or transmission;
4. The transaction presents the Load-Serving Entity a genuine, unanticipated opportunity to acquire a power supply resource at a clear and significant discount, compared to the cost of acquiring new Generating Units, and will provide unique value to the Load-Serving Entity's Customers; or



5. The Load-Serving Entity is adding Capacity or energy from newly constructed Supply-Side Resources with a net total nameplate rating of not more than 25 megawatts per year and 100 megawatts per five-year planning cycle.
- B. If the Commission determines that a Load-Serving Entity was not entitled to invoke one of the exceptions of subsection (A) for an acquisition, the Commission shall not allow recovery of the costs incurred by the Load-Serving Entity related to the acquisition.

**R14-2-2812. Cooperatives**

- A. A Load-Serving Cooperative shall submit to the Commission a limited Integrated Resource Plan filing containing whatever information, data, criteria, and studies the Load-Serving Cooperative has used in its analysis to meet electric demand in a safe, reliable, and efficient manner over a forecasted 15-year period of time.
- B. Upon Commission Approval of a Load-Serving Cooperative's Integrated Resource Plan, including its Action Plan, filed pursuant to subsection (A), the provisions of the Integrated Resource Plan shall substitute for the requirements set forth in this Article.
- C. In preparing its Integrated Resource Plan, a Load-Serving Cooperative shall meet with and consider the input of an RPAC.

**R14-2-2813. Cost Recovery and Prudence**

- A. A Load-Serving Entity may request to recover its costs to comply with this Article in a rate case, in whole or in part.
- B. Recovery of the costs requested by a Load-Serving Entity under subsection (A) shall be allowed only if the Commission determines that the costs are prudent.

**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND  
ASSOCIATIONS; SECURITIES REGULATION**

**CHAPTER 2. CORPORATION COMMISSION- FIXED UTILITIES**

**~~ARTICLE 7. RESOURCE PLANNING AND PROCUREMENT~~ Repealed**

Section

~~R14-2-701. — Definitions~~ Repealed

~~R14-2-702. — Applicability~~ Repealed

~~R14-2-703. — Load-serving entity reporting requirements~~ Repealed

~~R14-2-704. — Commission review of load-serving entity resource plans~~ Repealed

~~R14-2-705. — Procurement~~ Repealed

~~R14-2-706. — Independent Monitor Selection and Responsibilities~~ Repealed

**~~ARTICLE 7. RESOURCE PLANNING AND PROCUREMENT~~**

**~~R14-2-701. — Definitions~~**

~~In this Article, unless otherwise specified:~~

- ~~1. — “Acknowledgment” means a Commission determination, under R14-2-704, that a plan meets the basic requirements of this Article.~~
- ~~2. — “Affiliated” means related through ownership of voting securities, through contract, or otherwise in such a manner that one entity directly or indirectly controls another, is directly or indirectly controlled by another, or is under direct or indirect common control with another entity.~~
- ~~3. — “Benchmark” means to calibrate against a known set of values or standards.~~
- ~~4. — “Book life” means the expected time period over which a power supply source will be available for use by a load-serving entity.~~
- ~~5. — “Btu” means British thermal unit.~~
- ~~6. — “Capacity” means the amount of electric power, measured in megawatts, that a power source is rated to provide.~~
- ~~7. — “Capital costs” means the construction and installation cost of facilities, including land, land rights, structures, and equipment.~~

8. — “Coincident peak” means the maximum of the sum of two or more demands that occur in the same demand interval, which demand interval may be established on an annual, monthly, or hourly basis.
9. — “Customer class” means a subset of customers categorized according to similar characteristics, such as amount of energy consumed; amount of demand placed on the energy supply system at the system peak; hourly, daily, or seasonal load pattern; primary type of activity engaged in by the customer, including residential, commercial, industrial, agricultural, and governmental; and location.
10. — “Decommissioning” means the process of safely and economically removing a generating unit from service.
11. — “Demand management” means beneficial reduction in the total cost of meeting electric energy service needs by reducing or shifting in time electricity usage.
12. — “Derating” means a reduction in a generating unit’s capacity.
13. — “Discount rate” means the interest rate used to calculate the present value of a cost or other economic variable.
14. — “Docket Control” means the office of the Commission that receives all official filings for entry into the Commission’s public electronic docketing system.
15. — “Emergency” means an unforeseen and unforeseeable condition that:
  - a. — Does not arise from the load-serving entity’s failure to engage in good utility practices,
  - b. — Is temporary in nature, and
  - c. — Threatens reliability or poses another significant risk to the system.
16. — “End use” means the final application of electric energy, for activities such as, but not limited to, heating, cooling, running an appliance, or motor, an industrial process, or lighting.
17. — “Energy losses” means the quantity of electric energy generated or purchased that is not available for sale to end users, for resale, or for use by the load-serving entity.
18. — “Escalation” means the change in costs due to inflation, changes in manufacturing processes, changes in availability of labor or materials, or other factors.

19. —“Generating unit” means a specific device or set of devices that converts one form of energy (such as heat or solar energy) into electric energy, such as a turbine and generator or a set of photovoltaic cells.
20. —“Heat rate” means a measure of generating station thermal efficiency expressed in Btus per net kilowatt-hour and computed by dividing the total Btu content of fuel used for electric generation by the kilowatt-hours of electricity generated.
21. —“Independent monitor” means a company or consultant that is not affiliated with a load-serving entity and that is selected to oversee the conduct of a competitive procurement process under R14-2-706.
22. —“Integration” means methods by which energy produced by intermittent resources can be incorporated into the electric grid.
23. —“Intermittent resources” means electric power generation for which the energy production varies in response to naturally occurring processes like wind or solar intensity.
24. —“Interruptible power” means power made available under an agreement that permits curtailment or cessation of delivery by the supplier.
25. —“In-service date” means the date a power supply source becomes available for use by a load-serving entity.
26. —“Load-serving entity” means a public service corporation that provides electricity generation service and operates or owns, in whole or in part, a generating facility or facilities with capacity of at least 50 megawatts combined.
27. —“Long term” means having a duration of three or more years.
28. —“Maintenance” means the repair of generation, transmission, distribution, administrative, and general facilities; replacement of minor items; and installation of materials to preserve the efficiency and working condition of the facilities.
29. —“Mothballing” means the temporary removal of a generating unit from active service and accompanying storage activities.
30. —“Operate” means to manage or otherwise be responsible for the production of electricity by a generating facility, whether that facility is owned by the operator, in whole or in part, or by another entity.
31. —“Participation rate” means the proportion of customers who take part in a specific program.



32. —“Probabilistic analysis” means a systematic evaluation of the effect, on costs, reliability, or other measures of performance, of possible events affecting factors that influence performance, considering the likelihood that the events will occur.
33. —“Production cost” means the variable operating costs and maintenance costs of producing electricity through generation plus the cost of purchases of power sufficient to meet demand.
34. —“Refurbish” means to make major changes, more extensive than maintenance or repair, in the power production, transmission, or distribution characteristics of a component of the power supply system, such as by changing the fuels that can be used in a generating unit or changing the capacity of a generating unit.
35. —“Reliability” means a measure of the ability of a load-serving entity’s generation, transmission, or distribution system to provide power without failures to reflect the portion of time that a system is unable to meet demand or the kilowatt-hours of demand that could not be supplied.
36. —“Renewable energy resource” means an energy resource that is replaced rapidly by a natural, ongoing process and that is not nuclear or fossil fuel.
37. —“Reserve requirements” means the capacity that a load-serving entity must maintain in excess of its peak load to provide for scheduled maintenance, forced outages, unforeseen loads, emergencies, system operating requirements, and reserve sharing arrangements.
38. —“Reserve sharing arrangement” means an agreement between two or more load-serving entities to provide backup capacity.
39. —“Resource planning” means integrated supply and demand analyses completed as described in this Article.
40. —“RFP” means request for proposals.
41. —“Self-generation” means the production of electricity by an end-user.
42. —“Sensitivity analysis” means a systematic assessment of the degree of response of costs, reliability, or other measures of performance to changes in assumptions about factors that influence performance.
43. —“Short term” means having a duration of less than three years.
44. —“Spinning reserve” means the capacity a load-serving entity must maintain connected to the system and ready to deliver power promptly in the event of an unexpected loss of

generation source, expressed as a percentage of peak load, as a percentage of the largest generating unit, or as in fixed megawatts.

45. —“Staff” means individuals working for the Commission’s Utilities Division, whether as employees or through contract.
46. —“Third-party independent energy broker” means an entity, such as Prebon Energy or Tradition Financial Services, that facilitates an energy transaction between separate parties without taking title to the transaction.
47. —“Third-party on line trading system” means a computer-based marketplace for commodity exchanges provided by an entity that is not affiliated with the load-serving entity, such as the Intercontinental Exchange, California Independent System Operator, or New York Mercantile Exchange.
48. —“Total cost” means all capital, operating, maintenance, fuel, and decommissioning costs, plus the costs associated with mitigating any adverse environmental effects, incurred, by end users, load-serving entities, or others, in the provision or conservation of electric energy.

**R14-2-702. — Applicability**

- A. — This Article applies to each load-serving entity, whether the power generated is for sale to end users or is for resale.
- B. — An electricity public service corporation that becomes a load-serving entity by increasing its generating capacity to at least 50 megawatts combined shall provide written notice to the Commission within 30 days after the increase and shall comply with the filing requirements in this Article within two years after the notice is filed.
- C. — The Commission may, by Order, exempt a load-serving entity from complying with any provision in this Article, or the Article as a whole, upon determining that:
1. — The burden of compliance with the provision, or the Article as a whole, exceeds the potential benefits to customers in the form of cost savings, service reliability, risk reductions, or reduced environmental impacts that would result from the load-serving entity’s compliance with the provision or Article; and
  2. — The public interest will be served by the exemption.
- D. — A load-serving entity that desires an exemption shall submit to Docket Control an application that includes, at a minimum:

1. ~~The reasons why the burden of complying with the Article, or the specific provision in the Article for which exemption is requested, exceeds the potential benefits to customers that would result from the load-serving entity's compliance with the provision or Article;~~
  2. ~~Data supporting the load-serving entity's assertions as to the burden of compliance and the potential benefits to customers that would result from compliance; and~~
  3. ~~The reasons why the public interest would be served by the requested exemption.~~
- E. ~~A load-serving entity shall file with Docket Control, within 120 days after the effective date of these rules, the documents that would have been due on April 1, 2010, under R14-2-703(C), (D), (E), (F), and (H) had the revisions to those subsections been effective at that time.~~

**R14-2-703. ~~Load-serving entity reporting requirements~~**

- A. ~~A load-serving entity shall, by April 1 of each year, file with Docket Control a compilation of the following items of demand-side data, including for each item for which no record is maintained the load-serving entity's best estimate and a full description of how the estimate was made:~~
1. ~~Hourly demand for the previous calendar year, disaggregated by:~~
    - a. ~~Sales to end users;~~
    - b. ~~Sales for resale;~~
    - c. ~~Energy losses; and~~
    - d. ~~Other disposition of energy, such as energy furnished without charge and energy used by the load-serving entity;~~
  2. ~~Coincident peak demand (megawatts) and energy consumption (megawatt-hours) by month for the previous 10 years, disaggregated by customer class;~~
  3. ~~Number of customers by customer class for each of the previous 10 years.; and~~
  4. ~~Reduction in load (kilowatt and kilowatt-hours) in the previous calendar year due to existing demand management measures, by type of demand management measure.~~
- B. ~~A load-serving entity shall, by April 1 of each year, file with Docket Control a compilation of the following items of supply-side data, including for each item for which~~

no record is maintained the load-serving entity's best estimate and a full description of how the estimate was made:

1. — For each generating unit and purchased power contract for the previous calendar year:
  - a. — In-service date and book life or contract period;
  - b. — Type of generating unit or contract;
  - c. — The load-serving entity's share of the generating unit's capacity, or of capacity under the contract, in megawatts;
  - d. — Maximum generating unit or contract capacity, by hour, day, or month, if such capacity varies during the year;
  - e. — Annual capacity factor (generating units only);
  - f. — Average heat rate of generating units and, if available, heat rates at selected output levels;
  - g. — Average fuel cost for generating units, in dollars per million Btu for each type of fuel;
  - h. — Other variable operating and maintenance costs for generating units, in dollars per megawatt hour;
  - i. — Purchased power energy costs for long-term contracts, in dollars per megawatt hour;
  - j. — Fixed operating and maintenance costs of generating units, in dollars per megawatt;
  - k. — Demand charges for purchased power;
  - l. — Fuel type for each generating unit;
  - m. — Minimum capacity at which the generating unit would be run or power must be purchased;
  - n. — Whether, under standard operating procedures, the generating unit must be run if it is available to run;
  - o. — Description of each generating unit as base load, intermediate, or peaking;
  - p. — Environmental impacts, including air emission quantities (in metric tons or pounds) and rates (in quantities per megawatt-hour) for carbon dioxide,

- nitrogen oxides, sulfur dioxide, mercury, particulates, and other air emissions subject to current or expected future environmental regulation;
- q. — Water consumption quantities and rates; and
- r. — Tons of coal ash produced per generating unit;
- 2. — For the power supply system for the previous calendar year:
  - a. — A description of generating unit commitment procedures;
  - b. — Production cost;
  - c. — Reserve requirements;
  - d. — Spinning reserve;
  - e. — Reliability of generating, transmission, and distribution systems;
  - f. — Purchase and sale prices, averaged by month, for the aggregate of all purchases and sales related to short-term contracts; and
  - g. — Energy losses;
- 3. — The level of self-generation in the load-serving entity's service area for the previous calendar year; and
- 4. — An explanation of any resource procurement processes used by the load-serving entity during the previous calendar year that did not include use of an RFP, including the exception under which the process was used.
- C. — A load-serving entity shall, by April 1 of each even year, file with Docket Control a compilation of the following items of load data and analyses, which may include a reference to the last filing made under this subsection for each item for which there has been no change in forecast since the last filing:
  - 1. — Fifteen-year forecast of system coincident peak load (megawatts) and energy consumption (megawatt-hours) by month and year, expressed separately for residential, commercial, industrial, and other customer classes; for interruptible power; for resale; and for energy losses;
  - 2. — Disaggregation of the load forecast of subsection (C)(1) into a component in which no additional demand management measures are assumed, and a component assuming the change in load due to additional forecasted demand management measures; and



3. — Documentation of all sources of data, analyses, methods, and assumptions used in making the load forecasts, including a description of how the forecasts were benchmarked and justifications for selecting the methods and assumptions used.

D. — A load-serving entity shall, by April 1 of each even year, file with Docket Control the following prospective analyses and plans, which shall compare a wide range of resource options and take into consideration expected duty cycles, cost projections, other analyses required under this Section, environmental impacts, and water consumption and may include a reference to the last filing made under this subsection for each item for which there has been no change since the last filing:

1. — A 15-year resource plan, providing for each year:

- a. — Projected data for each of the items listed in subsection (B)(1), for each generating unit and purchased power source, including each generating unit that is expected to be new or refurbished during the period, which shall be designated as new or refurbished, as applicable, for the year of purchase or the period of refurbishment;
- b. — Projected data for each of the items listed in subsection (B)(2), for the power supply system;
- c. — The capital cost, construction time, and construction spending schedule for each generating unit expected to be new or refurbished during the period;
- d. — The escalation levels assumed for each component of cost, such as, but not limited to, operating and maintenance, environmental compliance, system integration, backup capacity, and transmission delivery, for each generating unit and purchased power source.;
- e. — If discontinuation, decommissioning, or mothballing of any power source and or permanent derating of any generating facility is expected:
  - i. — Identification of each power source or generating unit involved;
  - ii. — The costs and spending schedule for each discontinuation, decommissioning, mothballing, or derating; and
  - iii. — The reasons for each discontinuation, decommissioning, mothballing, or derating;

- f. ~~— The capital costs and operating and maintenance costs of all new or refurbished transmission and distribution facilities expected during the 15-year period;~~
    - g. ~~— An explanation of the need for and purpose of all expected new or refurbished transmission and distribution facilities., which explanation shall incorporate the load-serving entity's most recent transmission plan filed under A.R.S. § 40-360.02(A) and any relevant provisions of the Commission's most recent Biennial Transmission Assessment decision regarding the adequacy of transmission facilities in Arizona; and~~
    - h. ~~— Cost analyses and cost projections;~~
  - 2. ~~— Documentation of the data, assumptions, and methods or models used to forecast production costs and power production for the 15-year resource plan, including the method by which the forecast was benchmarked;~~
  - 3. ~~— A description of each potential power source that was rejected; the capital costs, operating costs, and maintenance costs of each rejected source; and an explanation of the reasons for rejecting each source;~~
  - 4. ~~— A 15-year forecast of self-generation by customers of the load-serving entity, in terms of annual peak production (megawatts) and annual energy production (megawatt-hours).;~~
  - 5. ~~— Disaggregation of the forecast of subsection (D)(4) into two components, one reflecting the self-generation projected if no additional efforts are made to self-generation, and one reflecting the self-generation projected to result from the load-serving entity's institution of additional forecasted self-generation measures;~~
  - 6. ~~— A 15-year forecast of the annual capital costs and operating and maintenance costs of the self-generation identified under subsections (D)(4) and (D)(5);~~
  - 7. ~~— Documentation of the analysis of the self-generation under subsections (D)(4) through (6);~~
  - 8. ~~— A plan that considers using a wide range of resources and promotes fuel and technology diversity within its portfolio;~~
  - 9. ~~— A calculation of the benefits of generation using renewable energy resources;~~

10. — A plan that factors in the delivered cost of all resource options, including costs associated with environmental compliance, system integration, backup capacity, and transmission delivery;
11. — Analysis of integration costs for intermittent resources;
12. — A plan to increase the efficiency of the load-serving entity's generation using fossil fuel;
13. — Data to support technology choices for supply-side resources;
14. — A description of the demand management programs, or measures included in the 15-year resource plan, including for each demand management program or measure:
  - a. — How and when the program or measure will be implemented;
  - b. — The projected participation level by customer class for the program or measure;
  - c. — The expected change in peak demand and energy consumption resulting from the program or measure;
  - d. — The expected reductions in environmental impacts including air emissions, solid waste, and water consumption attributable to the program or measure;
  - e. — The expected societal benefits, societal costs, and cost-effectiveness of the program or measure;
  - f. — The expected life of the measure; and
  - g. — The capital costs, operating costs, and maintenance costs of the measure, and the program costs;
15. — For each demand management measure that was considered but rejected:
  - a. — A description of the measure;
  - b. — The estimated change in peak demand and energy consumption from the measure;
  - c. — The estimated cost-effectiveness of the measure;
  - d. — The capital costs, operating costs, and maintenance costs of the measure, and the program costs; and
  - e. — The reasons for rejecting the measure;

16. — Analysis of future fuel supplies that are part of the resource plan; and
  17. — A plan for reducing environmental impacts related to air emissions, solid waste, and other environmental factors, and a plan for reducing water consumption. The costs for compliance with current and projected future environmental regulations shall be included in the analysis of resources required by R14-2-703(D) and (E). A load-serving entity or any interested parties may also provide, for the Commission's consideration, analyses and supporting data pertaining to environmental impacts associated with the generation or delivery of electricity, which may include monetized estimates of environmental impacts that are not included as costs for compliance. Values or factors for compliance costs, environmental impacts, or monetization of environmental impacts may be developed and reviewed by the Commission in other proceedings or stakeholder workshops.
- E. — A load-serving entity shall, by April 1 of each even year, file with Docket Control a compilation of the following analyses and plan:
1. — Analyses to identify and assess errors, risks, and uncertainties in the following, completed using methods such as sensitivity analysis and probabilistic analysis:
    - a. — Demand forecasts;
    - b. — The costs of demand management measures and power supply;
    - c. — The availability of sources of power;
    - d. — The costs of compliance with existing and expected environmental regulations;
    - e. — Any analysis by the load-serving entity in anticipation of potential new or enhanced environmental regulations;
    - f. — Changes in fuel prices, and availability;
    - g. — Construction costs, capital costs, and operating costs; and
    - h. — Other factors the load-serving entity wishes to consider;.
  2. — A description and analysis of available means for managing the errors, risks, and uncertainties identified and analyzed in subsection (E)(1), such as obtaining additional information, limiting risk exposure, using incentives, creating

additional options, incorporating flexibility, and participating in regional generation and transmission projects; and

3. A plan to manage the errors, risks, and uncertainties identified and analyzed in subsection (E)(1).

F. A load-serving entity shall, by April 1 of each even year, file with Docket Control a 15-year resource plan that:

1. Selects a portfolio of resources based upon comprehensive consideration of a wide range of supply and demand-side options;
2. Will result in the load-serving entity's reliably serving the demand for electric energy services;
3. Will address the adverse environmental impacts of power production;
4. Will include renewable energy resources so as to meet at least the greater of the Annual Renewable Energy Requirement in R14-2-1804 or the following annual percentages of retail kWh sold by the load-serving entity:

Calendar Year	Percentage of Retail kWh sold during calendar Year
2010	2.5%
2011	3.0%
2012	3.5%
2013	4.0%
2014	4.5%
2015	5.0%
2016	6.0%
2017	7.0%
2018	8.0%
2019	9.0%
2020	10.0%
2021	11.0%
2022	12.0%
2023	13.0%



2024	14.0%
after 2024	15.0%

5. Will include distributed generation energy resources so as to meet at least the greater of the Distributed Renewable Energy Requirement in R14-2-1805 or the following annual percentages as applied to the load-serving entity's Annual Renewable Energy Requirement:
- 2007 5%
  - 2008 10%
  - 2009 15%
  - 2010 20%
  - 2011 25%
  - After 2011 30%
6. Will address energy efficiency so as to meet any requirements set in rule by the Commission;
7. Will effectively manage the uncertainty and risks associated with costs, environmental impacts, load forecasts, and other factors;
8. Will achieve a reasonable long-term total cost, taking into consideration the objectives set forth in subsections (F)(2)-(7) and the uncertainty of future costs; and
9. Contains all of the following:
- a. A complete description and documentation of the plan, including supply and demand conditions, availability of transmission, costs, and discount rates utilized;
  - b. A comprehensive, self-explanatory load and resources table summarizing the plan;
  - c. A brief executive summary;
  - d. An index to indicate where the responses to each filing requirement of these rules can be found; and
  - e. Definitions of the terms used in the plan.
- G. A load-serving entity shall, by April 1 of each odd year, file with Docket Control a work plan that includes:

- ~~1. An outline of the contents of the resource plan the load-serving entity is developing to be filed the following year as required under subsection (F);~~
  - ~~2. The load-serving entity's method for assessing potential resources;~~
  - ~~3. The sources of the load-serving entity's current assumptions; and~~
  - ~~4. An outline of the timing and extent of public participation and advisory group meetings the load-serving entity intends to hold before completing and filing the resource plan.~~
- ~~H. With its resource plan, a load-serving entity shall include an action plan, based on the results of the resource planning process, that:~~
- ~~1. Includes a summary of actions to be taken on future resource acquisitions;~~
  - ~~2. Includes details on resource types, resources capacity, and resource timing; and~~
  - ~~3. Covers the three-year period following the Commission's acknowledgment of the resource plan.~~
- ~~I. If a load-serving entity's submission does not contain sufficient information to allow Staff to analyze the submission fully for compliance with this Article, Staff shall request additional information from the load-serving entity, including the data used in the load-serving entity's analyses.~~
- ~~J. Staff may request that a load-serving entity complete additional analyses to improve specified components of the load-serving entity's submissions.~~
- ~~K. If a load-serving entity believes that a data-reporting requirement may result in disclosure of confidential business data or confidential electricity infrastructure information, the load-serving entity may submit to Staff a request that the data be submitted to Staff under a confidentiality agreement, which request shall include an explanation justifying the confidential treatment of the data.~~
- ~~L. Data protected by a confidentiality agreement shall not be submitted to Docket Control and will not be open to public inspection or otherwise made public except upon an order of the Commission entered after written notice to the load-serving entity.~~
- R14-2-704. Commission review of load-serving entity resource plans**
- ~~A. By October 1 of each even year, Staff shall file a report that contains its analysis and conclusions regarding its statewide review and assessments of the load-serving entities' filings made under R14-2-703(C), (D), (E), (F), and (H).~~

~~B. — By February 1 of each odd year, the Commission shall issue an order acknowledging a load-serving entity's resource plan or issue an order stating the reasons for not acknowledging the resource plan. The Commission shall order an acknowledgment of a load-serving entity's resource plan, with or without amendment, if the Commission determines that the resource plan, as amended if applicable, complies with the requirements of this Article and that the load-serving entity's resource plan is reasonable and in the public interest, based on the information available to the Commission at the time and considering the following factors:~~

- ~~1. — The total cost of electric energy services;~~
- ~~2. — The degree to which the factors that affect demand, including demand management, have been taken into account;~~
- ~~3. — The degree to which supply alternatives, such as self-generation, have been taken into account;~~
- ~~4. — Uncertainty in demand and supply analyses, forecasts, and plans, and whether plans are sufficiently flexible to enable the load-serving entity to respond to unforeseen changes in supply and demand factors;~~
- ~~5. — The reliability of power supplies, including fuel diversity and non-cost considerations;~~
- ~~6. — The reliability of the transmission grid;~~
- ~~7. — The degree to which the load-serving entity considered all relevant resources, risks, and uncertainties;~~
- ~~8. — The degree to which the load-serving entity's plan for future resources is in the best interest of its customers;~~
- ~~9. — The best combination of expected costs and associated risks for the load-serving entity and its customers; and~~
- ~~10. — The degree to which the load-serving entity's resource plan allows for coordinated efforts with other load-serving entities.~~

~~C. — The Commission may hold a hearing or workshop regarding a load-serving entity's resource plan. If the Commission holds such a hearing or workshop, the Commission may extend the February 1 deadline for the Commission to issue an order regarding acknowledgment under subsection (B).~~

- D.** — While no particular future ratemaking treatment is implied by or shall be inferred from the Commission's acknowledgement, the Commission shall consider a load-serving entity's filings made under R14-2-703 when the Commission evaluates the performance of the load-serving entity in subsequent rate cases and other proceedings.
- E.** — A load-serving entity may seek Commission approval of specific resource planning actions.
- F.** — A load-serving entity may file an amendment to an acknowledged resource plan if changes in conditions or assumptions necessitate a material change in the load-serving entity's plan before the next resource plan is due to be filed.

**R14-2-705. — Procurement**

- A.** — Except as provided in subsection (B), a load-serving entity may use the following procurement methods for the wholesale acquisition of energy, capacity, and physical power hedge transactions:
1. — Purchase through a third-party on-line trading system;
  2. — Purchase from a third-party independent energy broker;
  3. — Purchase from a non-affiliated entity through auction or an RFP process;
  4. — Bilateral contract with a non-affiliated entity;
  5. — Bilateral contract with an affiliated entity, provided that non-affiliated entities were provided notice and an opportunity to compete against the affiliated entity's proposal before the transaction was executed; and
  6. — Any other competitive procurement process approved by the Commission.
- B.** — A load-serving entity shall use an RFP process as its primary acquisition process for the wholesale acquisition of energy and capacity, unless one of the following exceptions applies:
1. — The load-serving entity is experiencing an emergency;
  2. — The load-serving entity needs to make a short-term acquisition to maintain system reliability;
  3. — The load-serving entity needs to acquire other components of energy procurement, such as fuel, fuel transportation, and transmission projects;
  4. — The load-serving entity's planning horizon is two years or less;

5. ~~The transaction presents the load-serving entity a genuine, unanticipated opportunity to acquire a power supply resource at a clear and significant discount, compared to the cost of acquiring new generating facilities, and will provide unique value to the load-serving entity's customers;~~
  6. ~~The transaction is necessary for the load-serving entity to satisfy an obligation under the Renewable Energy Standard rules; or~~
  7. ~~The transaction is necessary for the load-serving entity's demand-side management or demand response programs.~~
- C. ~~A load-serving entity shall engage an independent monitor to oversee all RFP processes for procurement of new resources.~~
- R14-2-706. — Independent Monitor Selection and Responsibilities**
- A. ~~When a load-serving entity contemplates engaging in an RFP process, the load-serving entity shall consult with Staff regarding the identity of companies or consultants that could serve as independent monitor for the RFP process.~~
  - B. ~~After consulting with Staff, a load-serving entity shall create a vendor list of three to five candidates to serve as independent monitor and shall file the vendor list with Docket Control to allow interested persons time to review and file objections to the vendor list.~~
  - C. ~~An interested person shall file with Docket Control, within 30 days after a vendor list is filed with Docket Control, any objection that the interested person may have to a candidate's inclusion on a vendor list.~~
  - D. ~~Within 60 days after a vendor list is filed with Docket Control, Staff shall issue a notice identifying each candidate on the vendor list that Staff considers to be qualified to serve as independent monitor for the contemplated RFP process. In making its determination, Staff shall consider the experience of the candidates, the professional reputation of the candidates, and any objections filed by interested persons.~~
  - E. ~~A load-serving entity that has completed the actions required by subsections (A) and (B) to comply with a particular Commission Decision is deemed to have complied with subsections (A) and (B) and is not required to repeat those actions.~~
  - F. ~~A load-serving entity may retain as independent monitor for the contemplated RFP process and for its future RFP processes any of the candidates identified in Staff's notice.~~



- ~~G. — A load-serving entity shall file with Docket Control a written notice of its retention of an independent monitor.~~
- ~~H. — A load-serving entity is responsible for paying the independent monitor for its services and may charge a reasonable bidder's fee to each bidder in the RFP process to help offset the cost of the independent monitor's services. A load-serving entity may request recovery of the cost of the independent monitor's services, to the extent that the cost is not offset by bidder's fees, in a subsequent rate case. The Commission shall use its discretion in determining whether to allow the cost to be recovered through customer rates.~~
- ~~I. — One week prior to the deadline for submitting bids, a load-serving entity shall provide the independent monitor a copy of any bid proposal prepared by the load-serving entity or entity affiliated with the load-serving entity and of any benchmark or reference cost the load-serving entity has developed for use in evaluating bids. The independent monitor shall take steps to secure the load-serving entity's bid proposal and any benchmark or reference cost so that they are inaccessible to any bidder, the load-serving entity, and any entity affiliated with the load-serving entity.~~
- ~~J. — Upon Staff's request, the independent monitor shall provide status reports to Staff throughout the RFP process.~~

The following is a list of information, that was filed in Docket No. RU-00000A-18-0284, that was used in drafting the proposed All-Source Requests for Proposals and Integrated Resource Plan Rules:

Commissioner Tobin 10/4/18

[0000192672.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192672.pdf)

[0000192681.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192681.pdf)

[0000192683.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192683.pdf)

[0000192673.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192673.pdf)

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[0000192678.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192678.pdf)

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[0000192680.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192680.pdf)

[0000192676.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192676.pdf)

[0000192684.pdf \(azcc.gov\)](https://docket.images.azcc.gov/0000192684.pdf)

LightWorks Initiative at Arizona State University 3/11/2019

<https://docket.images.azcc.gov/0000196669.pdf?i=1646162651089>

Sierra Club Environmental Law Program and Sierra Club- Grand Canyon Chapter 3/19/2019

<https://docket.images.azcc.gov/0000196776.pdf?i=1646162651089>

Arizonans for Electric Choice and Competition 3/22/2019

<https://docket.images.azcc.gov/0000196880.pdf?i=1646162651089>

Arizona Competitive Power Alliance 3/25/2019

<https://docket.images.azcc.gov/0000196889.pdf?i=1646162651089>

Energy Storage Association 3/25/2019

<https://docket.images.azcc.gov/0000196891.pdf?i=1646162651089>

Vote Solar 3/25/2019

<https://docket.images.azcc.gov/0000196905.pdf?i=1646162651089>

Grand Canyon State Electric Cooperative Association, Inc. 3/25/2019

<https://docket.images.azcc.gov/0000196906.pdf?i=1646162651089>

Western Resource Advocates and Western Grid Group 3/25/2019

<https://docket.images.azcc.gov/0000196912.pdf?i=1646162651089>

Calpine Energy Solutions, LLC 3/25/2019

<https://docket.images.azcc.gov/0000196915.pdf?i=1646162651089>

Tucson Electric Power Company and UNS Electric, Inc. 3/26/2019

<https://docket.images.azcc.gov/0000196928.pdf?i=1646162651089>

Arizona Public Service 3/29/2019

<https://docket.images.azcc.gov/0000196993.pdf?i=1646162651089>

Chairman Bob Burns, Grid Modernization Laboratory Consortium 4/1/2019

<https://docket.images.azcc.gov/0000197040.pdf?i=1646162651089>

Western States Petroleum Association and Arizona Petroleum Marketers Association 4/17/2019

<https://docket.images.azcc.gov/0000197351.pdf?i=1646162651089>

Terry Finefrock docketed by Commissioner Olson 4/17/2019

<https://docket.images.azcc.gov/0000197367.pdf?i=1646162651089>

Commissioner Dunn 4/26/2019

<https://docket.images.azcc.gov/0000197554.pdf?i=1646162651089>

Calpine Energy Solutions, LLC 5/6/2019

<https://docket.images.azcc.gov/0000197779.pdf?i=1646162651089>

Henry M. Goldberg and John M. Cordes 5/16/2019

<https://docket.images.azcc.gov/0000197986.pdf?i=1646162651089>

Conservatives for Responsible Stewardship 5/16/2019

<https://docket.images.azcc.gov/0000197997.pdf?i=1646162651089>

Interwest Energy Alliance 5/29/2019

<https://docket.images.azcc.gov/0000198307.pdf?i=1646162651089>

Western Resource Advocates, Western Grid Group, Vote Solar and Sierra Club, Grand Canyon Chapter 5/29/2019

<https://docket.images.azcc.gov/0000198308.pdf?i=1646162651089>

Sierra Club-Grand Canyon Chapter 5/29/2019

<https://docket.images.azcc.gov/0000198327.pdf?i=1646162651089>

Tucson Electric Power Company and UNS Electric, Inc. 5/29/2019

<https://docket.images.azcc.gov/0000198328.pdf?i=1646162651089>

Arizonans for Electric Choice and Competition 5/30/2019

<https://docket.images.azcc.gov/0000198334.pdf?i=1646162651089>

Pascua Yaqui Tribe 6/17/2019

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TEP/UNSE 7/1/19



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Interwest Energy Alliance 7/12/19  
[E000001800.pdf \(azcc.gov\)](#)

Calpine Energy Solutions, LLC 7/26/19  
[E000002091.pdf \(azcc.gov\)](#)

Energy-Efficient Economy, Arizona Faith Network, Arizona Interfaith Power and Light, AriSEIA, Arizona Public Health Association, Black Mesa Water Coalition, CHISPA Arizona, CASE, Diné CARE, E4TheFuture, Elders Climate Action, Environment Arizona Research & Policy Center, Natural Resources Defense Council, Our Mother of Sorrows Catholic Church, Physicians for Social Responsibility, Sierra Club, SEIA, Solar United Neighbors, SWEEP, Sunrun, Tó Nizhóni Aní, Tucson 2030 District, Vote Solar, Western Grid Group, and WRA  
[E000002141.pdf \(azcc.gov\)](#)

APS – 08.02.2019  
<https://docket.images.azcc.gov/0000199286.pdf?i=1646160677344>

SWEEP, WRA, Western Grid Group, Vote Solar – 08.05.2019:  
<https://docket.images.azcc.gov/E000002263.pdf?i=1646160677344>

TEP – 08.06.2019:  
<https://docket.images.azcc.gov/E000002284.pdf?i=1646160677344>

Henry M. Goldberg & John M. Cordes – 08.08.2019:  
<https://docket.images.azcc.gov/E000002316.pdf?i=1646160677344>

Commissioner Justin Olson – 08.15.2019:  
<https://docket.images.azcc.gov/E000002420.pdf?i=1646160677344>

Sierra Club – 09.12.2019  
<https://docket.images.azcc.gov/E000002820.pdf?i=1646160677344>

(Former) Chairman Robert L. Burns – 10.15.2019  
<https://docket.images.azcc.gov/E000003256.pdf?i=1646160677344>

SWEEP, Western Grid Group, WRA, Vote Solar, Sierra Club, Solar United Neighborhoods – 12.20.2019  
<https://docket.images.azcc.gov/E000004206.pdf?i=1646160677344>

Arizona Electric Power Cooperative, Inc. – 12.31.2019  
<https://docket.images.azcc.gov/E000004301.pdf?i=1646160677344>

2/19/20: Utilities Division Memorandum (Elijah O. Abinah):  
<http://docket.images.azcc.gov/E000004960.pdf?i=1646156904322>

3/6/20: Misc. Comments (Sandy Bahr):

<http://docket.images.azcc.gov/E000005201.pdf?i=1646156904322>

3/9/20: Misc. Comments (C.H. Huckleberry):

<http://docket.images.azcc.gov/E000005215.pdf?i=1646156904322>

3/12/20: Misc. Comments (Caryn Potter, Joint Stakeholders):

<http://docket.images.azcc.gov/E000005275.pdf?i=1646163818785>

3/13/20: Misc. Comments (Nate Blouin, Interwest Energy Alliance):

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2/19/21 Staff filed report copies from the Western Electricity Coordinating Council  
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2/22/21 Western Resource Advocates filed  
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2/26/21 Staff filed its Staff Report for Summary of Comments  
<https://docket.images.azcc.gov/E000011870.pdf?i=1646157141617>

2/26/21 Staff filed a Revised Economic, Small Business, and Consumer Impact Statement  
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3/23/21 Joint Comments filed by Western Resource Advocates and Arizona PIRG Education Fund  
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3/30/21 Letter filed by Chairwoman Lea Marquez Peterson  
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4/7/21 Abhay Padgaonkar filed in response to the Chairwoman's 3/30/21 letter  
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\*8/19/21 Utilities Division Memorandum -ASCEND IRP Report

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